WHCOA Topic Area: Planning along the Lifespan
Issue: Social Security and Pension Plan Security

Overview of Current Issue Status: Social Security has successfully served as the cornerstone of the nation's income protection system for nearly 70 years and remains the bedrock of America's retirement security for more than 47 million beneficiaries who include retired workers, their survivors and dependents, and disabled workers with permanent disabilities. Without Social Security nearly half of seniors would live below the poverty level; with Social Security only 11% of the seniors live in poverty.

Challenges: Strengthening and protecting the future of Social Security for all Americans is a critical issue at this juncture in time. Changes to Social Security should be done in an environment that emphasizes an open dialogue with Americans of <u>all</u> ages. Further, the number of pension plans has fallen from 130,000 to 10,000 and trillions of dollars in pension savings have been lost and the Pension Benefit Guarantee Corporation (PBGC) faces a $23 billion shortfall and according reports filed with the PBGC total under-funding of pensions has grown from $20 billion in 2000 to more than $350 billion in 2004.

Resolution:

Initiate bipartisan efforts to maintain the social insurance structure of Social Security by maintaining benefits as an earned right, directly linked to previous earnings and contribution levels and guaranteed to all current and future contributors and their dependents.

Ensure that changes made to address the long-term Social Security shortfall are given thorough consideration and maintain the structural integrity of the system.

Undertake a national educational effort following the Social Security reform process to educate and inform beneficiaries of all ages on the changes made to Social Security and how they will be affected.

Congress must take immediate action to reform and tighten the regulatory oversight of America's pension plans and insure that pensioners receive their full benefits.